



## MONTEREY BAY

Unified Air Pollution Control District  
Serving Monterey, San Benito, and Santa Cruz counties

AIR POLLUTION CONTROL OFFICER  
Douglas Quetin

24580 Silver Cloud Court • Monterey, California 93940 • 831/647-9411 • FAX 831/647-8501

### DISTRICT BOARD MEMBERS

CHAIR:  
Reb Monaco  
San Benito  
County

VICE CHAIR:  
Simon Salinas  
Monterey County

Lou Calcagno  
Monterey County

Tony Campos  
Santa Cruz  
County

Dennis Donohue  
City of Salinas

Doug Emerson  
San Benito  
County Cities

Gary J. Wilmot  
Monterey  
Peninsula Cities

Ellen Pirie  
Santa Cruz  
County

Ila Mettee-  
McCutcheon  
Monterey County

Sam Storey  
Santa Cruz  
County Cities

George Worthing  
South Monterey  
County Cities

James N. Goldstene  
Executive Officer  
Air Resources Board  
P.O. Box 2815  
Sacramento, CA 95812

August 11, 2008

RE: Plan of Action to address the findings of the July 8, 2008 Moyer Audit report

Dear Mr. Goldstene:

Enclosed is our written plan of action to address the findings of the Moyer Audit Report. If you have any questions or need additional information, please call David Fairchild at (831) 647-9418 x 234. Staff was unable to complete this plan of action within the 30 days specified in your letter, due to our limited staff, and other demands, including:

- ☐ Response to the DOF audit report due Aug. 4,
- ☐ The annual report of award recommendations to the District Board for its annual \$4.00 DMV fee program grants due Aug. 11,
- ☐ CMP year 8 and 9 annual and final reports due August 31, and
- ☐ Documentation for initial ARB disbursement of LESBP grant funds (due ASAP),

Sincerely,

Ed Kendig  
Interim Air Pollution Control Officer

Enclosed: Plan of Action to address the findings of the Moyer Audit report

**PLAN OF ACTION  
TO ADDRESS THE FINDINGS OF THE JULY 8, 2008  
ARB AUDIT OF THE  
MBUAPCD CARL MOYER PROGRAM**

**FINDING A.1. INELIGIBLE MATCH PROJECTS.**

*Plan of Action.* Revise match projects for CMP years 1 through 9, and obtain ARB staff approval of the revised list. Mail copies of contracts and invoices for said list to ARB CMP Liaison.

District staff sent a revised set of match projects for CMP years 1 through 9 to ARB CMP staff Liaison, Adriana Smith, on August 6, 2008. Ms. Smith responded on August 8 that this revised list of match projects "looked good". Staff is now preparing a complete set of copies of the invoices and contracts for these match projects to mail to Ms. Smith.

**FINDING A.2. INADEQUATE DOCUMENTATION OF POLICIES IN PRACTICE.**

*Plan of Action.* Update the District Policies and Procedures Manual (P&PM) to reflect this finding of the July 8 Audit Report. Processes will be described on a project and program level, and the P&PM update will include procedures to ensure adequate documentation is placed in project files.

Although unable to produce the P&PM update within 30 days, this update is currently underway, and will be submitted as soon as possible to Ms. Smith, ARB CMP District Liaison. After review, a revision based on ARB comments will be presented to the District Board for approval. The earliest date for Board that approval is September 17, 2008. Upon District Board approval, staff will mail an updated P&PM to Ms. Smith.

**FINDING A.3. INACCURATE REPORTING TO ARB.**

*Plan of Action.* District staff has corrected the CMP year listing of projects by CMP year. Prior submittals had some incorrect allocations of projects by CMP year. The entire history of the District program was reviewed and any errors corrected, from FY 99 (CMP Year 1) through FY 07 (CMP Year 9). The corrections included the posting of actual expenditures by date, and revising resulting project cost-effectiveness, grant amounts and CMP Years accordingly. The corrected project lists will shortly be submitted to ARB CMP staff Liaison, Adriana Smith, and also submitted in a detailed report to ARB Audit staff by August 30, 2008. .

### **FINDING A.3. INCOMPLETE INSPECTIONS**

**Plan of Action.** The District Policies and Procedures Manual (P&PM) will be updated to reflect this finding of the July 8 Audit Report. Processes to verify operation of baseline and project engines will be updated, and will include procedures to ensure adequate documentation of this verification are placed in project files.

Although unable to produce the P&PM update within 30 days, this update is currently underway, and will be submitted as soon as possible to Ms. Smith, ARB CMP District Liaison. After review, a revision based on ARB comments will be presented to the District Board for approval. The earliest date for Board that approval is September 17, 2008. Upon District Board approval, staff will mail an updated P&PM to Ms. Smith.

### **FINDING B.1. CHP SAFETY INSPECTION REQUIREMENTS**

**Plan of Action.** The District LESBP Policies and Procedures Manual (P&PM) and future LESBP contracts will be updated to require documentation of CHP safety certification for baseline and funded retrofit projects. Grantees will be required to obtain CHP inspections of retrofitted buses prior to their being returned to service in any future LESBP contracts. CHP safety inspections for all the retrofit projects subject to this audit have been obtained from the grantee and will be transmitted to ARB shortly, and prior to receipt of any further LESBP funds.